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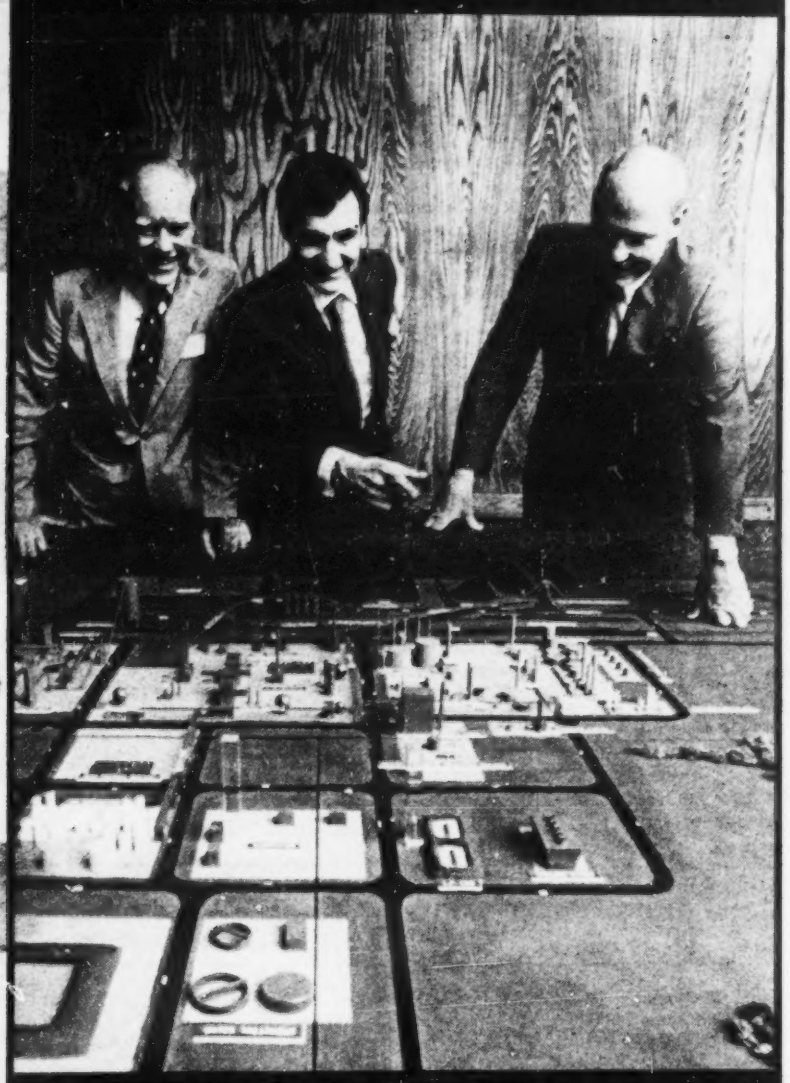
Go-Ahead for $1.5-Billion Synfuel Plant In Kentucky



DEPUTY ENERGY SECRETARY JOHN SAWHILL (center) points out key features of new Owensboro, Kentucky, synfuels plant to Edward Donley (left), chairman of Air Products and Chemicals, Inc., and Michael Dingman, chairman of Wheelabrator-Frye, Inc., who will build and operate it. Contract to build the giant $1.5-billion plant was signed last month in Owensboro. One of the largest synfuels plants in the nation, the installation will produce the energy equivalent of 20,000 barrels of oil daily from 6,000 tons of Kentucky coal. (See Stuart Magowan's story on Page 18)

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C-E LUMMUS REPORTS plans for $7-billion in four synfuel projects. (Page 2)

PENNSYLVANIA CRUSHER MARKS 75th anniversary. (Page 3)

COASTAL STATES ENERGY BUYS two Kentucky coal mines for $40-million. (Page 17)

N&W's CLAYTOR EXPLAINS how much railroad really "digs" coal. (Page 9)

$500-Million Coal Port Complex Seen in Jersey

By BILL D. ROSS

TRENTON, N.J.

New Jersey is seriously studying a plan to build four giant coal ports with an estimated price tag of $500-million.

Sources close to Gov. Brendan Byrne told CINews the proposed installations "could handle a maximum of 30.8-million tons" of coal annually.

Two of the ports would represent expansion of existing operations in Middlesex County, just south of Staten Island. They are

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located in the Port Reading section of Woodbridge Township and at a site owned by McCormack Sand Company in South Amboy.

The other locations are yet to be determined, the source said, but one would be developed by the Port Authority of New York and New Jersey on the shoreline between the two states.

The other would be at Camden, N.J., and would be a joint project with the South Jersey Development Corporation, a state developmental organization.

Both in-coming and out-going shipments would be handled as the far-ranging project is now envisioned. In-coming shipments would go to users — largely utility companies in the New York metropolitan area and New England — while exports markets in Western Europe and Japan also would be served.

"All the forecasts for coal, even conservative estimates, show a

(Continued on Page 17)

Sawhill Appointment Surprises Many:

President Carter Names Board Members of U.S. Synfuels Corp.

By PAUL FEINE

WASHINGTON

President Carter surprised many in the energy community when he made public his choice of John C. Sawhill, Deputy Secretary of Energy, and a featured speaker at the CINews New York conference on Sept. 30, to be the chairman of the newly-established Synthetic Fuels Corporation, and began the process of naming the other six

CINews Special Report

members of the board that will oversee the distribution of Federal funds to worthy synfuels projects over the next decade and beyond.

Sawhill was clearly the first choice

(Continued on Page 17)

'Who's Who in Coal' At Forum Next Week

"The Economics of Coal's Future."

That's how Owen Kean, CINews publisher, describes the one-day seminar he has set for Sept. 30 at the Pierre Hotel on New York City's fashionable Fifth Avenue.

The list of speakers reads like a "Who's Who in Coal."

It includes MIT Professor Carroll T. Wilson, who headed the much-heralded WOCOL report on the industry; John T. Sawhill, deputy secretary of the Department of Energy; John P. Fishwick, president and chief executive of the Norfolk & Western Railway; James Wilcock, chairman of Joy Manufacturing; and a host of other luminaries.

(Continued on Page 17)

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DOMESTIC FACTS & FIGURES

	8/30/80	8/23/80	9/1/79
Production			
Bituminous, recent week	17,160	17,205	16,305
Bituminous, year to date	549,900	532,740	503,163
Anthracite, recent week	62	110	150
Anthracite, year to date	3,731	3,669	3,871
Railroad carloadings			
Bituminous, recent week	117,056	117,350	113,446
Bituminous, year to date	3,772,240	3,655,184	3,405,498
Anthracite, recent week	332	587	899
Anthracite, year to date	19,575	19,243	19,380

Production data in thousands of short tons.
Source: U.S. Depart. of Energy, Energy Information Administration — Weekly Coal Reports.

Production by states, bituminous and lignite	8/2/80	7/26/80	8/4/79
Eastern			
Alabama	546	504	520
Georgia	1	1	15
Illinois	1,309	1,326	1,276
Indiana	537	536	536
Kentucky:			
Eastern	2,279	2,261	1,829
Western	819	787	861
Total, Ky.	3,098	3,048	2,690
Maryland	116	75	100
Ohio	904	890	893
Pennsylvania	1,906	1,933	1,939
Tennessee	282	256	214
Virginia	955	909	841
West Virginia	2,115	2,124	2,033
Total, eastern	11,769	11,602	11,057
Western			
Alaska	14	12	15
Arizona	265	265	250
Arkansas	13	13	15
Colorado	345	328	285
Iowa	11	11	15
Kansas	9	10	14
Missouri	126	129	124
Montana	803	821	750
New Mexico	243	276	200
North Dakota	302	340	307
Oklahoma	100	102	161
Texas	579	568	450
Utah	133	127	248
Washington	116	114	90
Wyoming	1,722	1,522	1,029
Total, western	4,781	4,638	3,953
Total, United States	16,550	16,240	15,010

In short tons (000).
Source: U.S. Dept. of Energy, Energy Information Admin.: Weekly Coal Report.

Coal Labor	8/80	5/80	8/79
All employees (thousands)			
Coal mining	262.2	258.8	264.5
Bituminous & lignite	259.0	255.6	261.3
Production employees (Thous.)			
Coal mining	216.8	214.0	220.1
Bituminous & lignite	213.7	211.2	217.3
Hours, weekly average			
Coal mining	40.0	39.1	40.9
Bituminous & lignite	39.9	39.1	41.0
Earnings, hourly average			
Coal mining	10.92	10.91	10.45
Bituminous & lignite	10.96	10.94	10.48
Earnings, weekly average			
Coal mining	436.80	426.58	427.41
Bituminous & lignite	437.30	427.75	429.68

Source: U.S. Dept. of Labor, Bureau of Labor Statistics - Employment and Earnings.

TRANSPORTATION: RAILROAD	8/23/80	8/16/80	8/25/79
Eastern district			
Bessemer and Lake Erie	1,012	1,069	1,672
Baltimore and Ohio	6,176	6,654	7,000
Chesapeake and Ohio	14,339	15,315	13,574
Consolidated Rail Corp.	9,403	8,838	10,599
Norfork and Western	17,112	18,156	18,034
Pittsburgh & Lake Erie	366	175	161
Western Maryland	1,733	2,332	2,106
Other, eastern district	59	14	169
Total, eastern district	50,200	52,553	53,315
Southern district			
Clinchfield Railroad	2,398	2,254	1,728
Illinois Central Gulf	4,330	4,478	3,981
Louisville & Nashville	15,443	13,254	13,772
Southern Railway	8,263	8,217	7,030
Other, southern district	12	15	—
Total, southern district	30,446	28,218	26,511
Western district			
Atchison, Topeka & Santa Fe	1,195	1,185	1,324
Burlington Northern	19,584	20,185	17,118
Chicago & North Western	550	674	482
Denver & Rio Grande Western	3,800	3,185	3,360
Kansas City Southern	106	95	108
Chicago, Mil., St. Paul & Pacific	1,041	1,110	1,282
Missouri-Kansas-Texas	94	100	275
Missouri Pacific	4,373	4,538	4,475
Chicago, Rock Is. & Pacific	—	—	271
St. Louis-San Francisco	1,024	878	763
Soo Line	52	79	89
Union Pacific	4,832	4,259	3,272
Other, western district	69	71	1
Total, western district	36,720	36,359	32,826
Total, all districts	117,366	117,130	112,652

Transportation: inland rivers	9/6/80	8/30/80	9/8/79
Monongahela River, Lock 3	243,922	279,362	263,720
Allegheny River, Lock 2	11,700	16,200	36,900
Ohio River, Montgomery Lock	223,628	259,896	233,150

In short tons through locks.
Source: U.S. Army, Corps of Engineers, Pittsburgh District.

Consumption (thousands of short tons)	6/80	5/80	6/79
Electric power utilities	45,731	41,378	43,905
Coke plants	5,317	6,111	6,414
Other industrial	5,000	5,350	4,986
Residen. al & commercial	400	425	409
Total	56,448	53,264	55,714

Note: (a) Data available on quarterly basis
Data given in short tons.
Source: U.S. Dept. of Energy, Energy Information Administration - Weekly Coal Report.

Coal User Stocks of coal (thousands of short tons)	Recent	Previous	Year Ago
Electric power utilities	175,120	170,319	134,394
Coke plants	9,872	9,653	9,472
Other industrial	9,400	9,100	8,668
Total	194,392	189,072	152,534
Coal User Production			
Major direct users:			
Electric utilities (Mil. Kwh., Sept. 6, '80)	46,844	48,138	44,980
Steel (short tons-000, Sept. 6, 1980)	1,686	1,708	2,464
Cement, Portland, U.S. shipments (short tons, June 1980)	6,960,752	6,448,480	8,313,071
Other significant output: Aluminum (short tons, July '80)	424,607	424,527	428,424
Motor vehicle production, total (week, Sept. 6, 1980)	105,841	100,540	153,029
Machine tools:			
Net new orders ($000, July '80)	310,800	457,200	362,100
Shipments ($000, July 1980)	320,050	476,600	267,700

Price Indexes	7/80	6/80	7/79
Coal	467.8	466.9	451.6
Anthracite	462.9	459.7	408.1
Chestnut, Pa., mine	N.A.	410.4	364.6
Buckwheat No. 1, Pa. mine	N.A.	525.0	465.9
Bituminous coal	467.0	466.2	452.0
Domestic sizes	580.7	580.7	573.9
Retail dealers	274.7	274.7	271.5
Industrial sizes, spot	396.1	394.5	392.0
Steam electric util.	122.3	120.9	115.0
Manufacturing	250.6	250.3	251.0
Metallurgical, high volatile	698.5	698.5	710.0
Metallurgical, low & medium volatile	704.6	703.5	706.0
Industrial sizes, contract	132.7	132.5	127.6
Steam, electric utility	159.3	158.9	146.8
Manufacturing	120.1	120.1	116.8
Metallurgical, high volatile	99.4	99.4	104.4
Coke (Foundry by-product)	430.6	430.6	430.6
Birmingham, Ala.	439.6	439.6	N.A.
Milwaukee, Wis.	420.4	420.4	420.4
Detroit, Mich.	423.1	423.1	N.A.
Indianapolis, Ind.	437.7	437.7	437.7
St. Louis, Missouri	286.8	286.8	286.8
Philadelphia, Penna.	285.8	285.8	285.8

N.A.-Not Available

Abbreviations

DOE — Dept. of Energy
EIA — Energy Information Admin.
AAR — Assn. of American Railroads
EEI — Edison Electric Institute
MVMA — Motor Vehicle Mfrs. Ass
COE — Corps of Engineers
Bit. — Bituminous
Lig. — Lignite
Ant. — Anthracite

FACTS & FIGURES EXPORTS

	Physical Value: Quantity in short tons			Dollar Value		Prices—Avg. Value per Short Ton: Avg. Value, per short ton		
Bituminous coal, low volatile blends to make coke	July 1980	June 1980	July 1979	July 1980	June 1980	July '79	July '80	June '80	July '79
Japan	1,524,560	2,298,851	1,139,189	87,611,566	133,967,532	65,557,009	57.47	58.28	57.55
Canada	606,212	662,114	987,367	35,917,171	38,281,749	56,944,032	59.25	57.82	57.67
Italy	528,348	411,525	375,503	28,330,860	20,514,551	19,959,896	53.62	49.85	53.16
Brazil	342,923	249,033	292,201	19,538,261	15,041,960	16,670,172	56.98	60.40	57.05
France	317,622	319,152	264,649	16,544,816	17,205,452	13,964,727	52.09	53.91	52.77
Spain	300,863	56,616	35,363	14,930,213	3,176,026	1,907,734	49.62	56.10	53.95
Belgium	292,418	390,687	352,031	13,270,673	18,924,237	17,939,254	45.38	48.44	50.96
Germany, F.R. (West)	203,146	112,264	147,358	10,840,264	5,826,572	7,636,862	53.36	51.90	51.83
United Kingdom	170,352	256,307	39,903	9,318,677	13,651,109	2,163,578	54.70	53.26	54.22
Sweden	132,450	115,657	52,886	6,952,424	6,101,855	2,494,832	52.49	52.76	47.17
Egypt	118,346	—	122,803	6,791,474	—	6,196,910	57.39	—	50.46
Total, above	4,537,240	4,872,206	3,809,253	250,040,419	272,691,043	211,435,006	55.11	55.97	55.51
Total, other nations	321,215	1,030,852	664,002	16,674,048	53,309,814	34,433,607	51.91	51.71	51.86
Total, all nations	4,858,455	5,903,058	4,473,255	266,714,467	326,000,857	245,868,613	54.90	55.23	54.96
Bituminous coal, other									
Canada	1,487,958	1,397,937	1,531,623	59,342,364	56,396,840	59,138,250	39.88	40.34	38.61
France	296,957	333,998	—	108,638,876	11,962,046	—	36.58	35.81	—
Denmark	263,923	—	—	10,596,623	—	—	40.15	—	—
Netherlands	211,398	59,865	—	8,882,421	2,378,570	—	42.02	39.73	—
United Kingdom	186,133	422,976	—	7,817,691	17,435,007	—	42.00	41.22	—
Belgium	136,282	82,401	—	4,979,668	2,964,502	—	36.54	35.98	—
Japan	126,641	32,094	82,392	5,833,419	1,742,830	4,305,333	46.06	54.30	52.25
Total, above	2,709,292	2,329,271	1,614,015	108,316,062	92,879,795	63,443,583	39.98	39.88	39.31
Total, other nations	404,432	478,755	161,713	16,245,971	19,033,660	8,161,668	40.17	39.76	50.47
Total, all nations	3,113,724	2,808,026	1,775,728	124,562,033	111,913,455	71,605,251	40.00	39.85	40.32
Lignite									
Total, cell nations	2,047	4,362	2,750	371,108	888,378	629,678	181.29	203.66	228.97

	Physical Value			Dollar Value			Prices—Avg. Value per Short Ton		
	July 1980	June 1980	July 1979	July 1980	June 1980	July 1979	July 1980	June 1980	July 1979
Coal coke for use as fuel									
Total, all nations	194,895	219,437	154,929	10,760,165	12,998,006	8,243,525	55.21	59.23	53.21
Petroleum coke, except calcined									
Japan	185,766	110,816	123,102	8,093,996	4,414,159	3,259,125	43.57	39.83	26.47
Canada	101,883	72,739	183,218	3,498,339	2,204,185	4,922,494	34.34	30.30	26.87
Italy	100,601	56,077	88,153	4,077,617	2,344,039	2,531,568	40.53	41.80	28.72
Total, above	388,250	239,632	394,473	15,669,952	8,962,383	10,713,187	40.36	37.40	27.16
Total, other nations	185,952	563,041	285,762	6,423,882	23,022,212	8,273,231	34.55	40.89	28.95
Total, all nations	574,202	802,673	680,235	22,093,834	31,984,595	18,986,418	38.48	39.85	27.91
Compositions used for fuel									
Total, all nations	193	108	871	26,126	13,728	136,227	135.37	127.11	156.40
Anthracite									
Area, Rep. (South)	127,138	90,765	33,003	3,644,526	2,636,548	1,556,902	28.67	29.05	47.17
Total, other nations	146,011	92,947	14,773	8,917,628	6,672,990	960,698	61.08	71.79	65.03
Total, all nations	273,149	183,712	47,776	12,562,154	9,309,538	2,517,600	45.99	50.67	52.70
IMPORTS									
Bituminous coal									
Total, all nations	28,763	64,441	48,735	973,681	1,485,375	1,292,470	33.85	23.05	26.52
Coke suitable for fuel									
Total, all nations	23,270	60,538	485,701	2,301,960	5,210,715	39,552,440	98.92	86.07	84.93
Compositions for fuel									
Total, all nations	2,373	6,884	2,461	102,644	270,046	67,076	43.25	39.23	27.26
Coal, other & lignite									
Total, all nations	3,150	39,712	39,413	105,755	1,199,124	1,403,255	33.57	30.20	35.60

WHERE & WHEN

A CALENDAR OF EVENTS OF MEETINGS OF INTEREST TO THE COAL AND OTHER ENERGY-RELATED INDUSTRIES.

Sept. 29-30 — Conference on The Economy, Energy and Federal Policies, featuring economist Robert R. Nathan; Stouffer's National Center Hotel, Arlington, Va. Information: Robert W. Nash, Executive Director, Energy Bureau, Inc., 41 East 42d St., New York, N.Y. 10017. Phone: 212-687-3178.

Nov. 12-14 — Sixth Institute on Mine Health and Safety, Colorado School of Mines. Information: Prof. Robert T. Reeder, Director, Institute of Mine Health and Safety, Colorado School of Mines, Golden, Col. 80401. Phone: 303-279-0300, ext. 2708.

Nov. 18-20 — Coal Technology '80, 3d International Coal Utilization Exhibition & Conference, Astrohall, Houston, Tex. Information: Coal Technology '80, 6006 Bellaire Blvd., Suite 100, Houston, Tex. 77081. Telephone: 713-6665188.

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